

VZCZCXRO9333
PP RUEHLMC
DE RUEHLP #0168 0232100
ZNR UUUUU ZZH
P 232100Z JAN 06
FM AMEMBASSY LA PAZ
TO RUEHC/SECSTATE WASHDC PRIORITY 7838
INFO RUEHAC/AMEMBASSY ASUNCION 5534
RUEHBO/AMEMBASSY BOGOTA 2797
RUEHBR/AMEMBASSY BRASILIA 6668
RUEHBU/AMEMBASSY BUENOS AIRES 3881
RUEHCV/AMEMBASSY CARACAS 1243
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RUEHQT/AMEMBASSY QUITO 3882
RUEHSG/AMEMBASSY SANTIAGO 8400
RUEHLMC/MILLENNIUM CHALLENGE CORP
RUEATRS/DEPT OF TREASURY WASHINGTON DC
RHEHNSC/NSC WASHINGTON DC

UNCLAS LA PAZ 000168

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E.O. 12958: N/A

TAGS: [PGOV](#) [PREL](#) [ECON](#) [SOCI](#) [BL](#)

SUBJECT: BOLIVIA AND VENEZUELA WASTE NO TIME SIGNING
COOPERATION AGREEMENTS

11. (U) On President Evo Morales' first full day in office, Morales and Venezuelan President Hugo Chavez signed a series of cooperation agreements covering energy, sports, health, medicine, education and agriculture. Chavez called the signing of these agreements "the start of a new period of relations between Bolivia and Venezuela and the integration of our peoples." He continued that the entire Government of Venezuela would be at Morales' disposal. Chavez said that the Venezuelan state-owned petroleum company PDVSA would help the GOB with the nationalization of the hydrocarbons sector, "even as we did to combat the domination of the American petroleum companies in our country." (This was the only reference to the United States during the signing ceremony.)

12. (U) Morales responded with gratitude, noting that within 24 hours of taking office he was signing his first agreement as President. To Chavez he said "Your presence strengthens us, not only Evo Morales but all the Bolivian people." He highlighted that the GOV offered 5,000 scholarships to Bolivian students and committed to buy 200,000 tons of soy. He also commended the Venezuelan offer to assist in combating illiteracy, to complement efforts to be made in this area by the Cuban government. Morales concluded by giving Chavez a gift of a Simon Bolivar portrait made entirely from coca leaves.

13. (U) The two leaders also signed a joint declaration in which they committed to work together to end the "neo-liberal" economic model which has allegedly oppressed their people. (Embassy will seek to obtain texts of joint declaration and cooperation agreements.)

14. (SBU) Comment: While Chavez did not receive any special treatment at the Sunday inauguration, today is a different story. Following the signing ceremony, Morales and Chavez appeared jointly on the balcony of the Presidential Palace to an exuberant parade. Today's display underscored the close personal relationship between Morales and Chavez. It also may have signaled growing Bolivian dependence on Venezuelan largesse. End Comment.

